



Labor & Economic Briefing

David C. Hollister, Director

Issue 6

August 7, 2003

Here is a summary of headlining accomplishments from the last 30 days:

Encouraging Economic & Urban Development

Israel-Based Company to Locate First North American Production Operations in Port Huron:

The Michigan Economic Development Corporation has helped convince Dispomedic 2000, Limited to locate its first North American production operations in Port Huron. The Israel-based company plans to invest \$9 million in a 60,000 square foot building in the City of Port Huron Industrial Park, where it will manufacture syringe products. Dispomedic 2000's operations are expected to create 415 new Michigan jobs by 2015, including 200 directly by the company.

New Testing and Research Center to be Located in Brighton: An MEDC incentive package helped convince American Mitsuba Corporation to locate its new testing and research center in Brighton, representing an investment of more than \$10 million. Operations in Brighton are expected to create 90 new, high-wage jobs by 2012, including 85 directly by the company. American Mitsuba had considered locating the testing and research center in either Brighton or a competing site in Indiana, where the company operates a sister facility. A Single Business Tax credit offered today worth \$1.6 million over a 10-year period helped convince the company to expand and create new jobs in Michigan.

MEDC Announces \$2.8 Million Tax-Exempt Bond for Ultra Aluminum Manufacturing: The MEDC announced through the use of the Industrial Development Revenue Bond Program, a \$2.8 million allocation has been approved to help finance the expansion of Ultra Aluminum Manufacturing Inc. in Howell Township. The bonds will be used for financing the construction of an approximately 75,000 square foot manufacturing facility to be located in the Livingston Commerce Center. The company will manufacture ornamental aluminum fencing for residential and industrial applications including custom gates, cantilever gates and swimming pool enclosure aluminum fencing. The project will create an estimated 25 new jobs. Industrial Development Revenue Bonds (IDRBs) are issued to finance projects for manufacturers and certain nonprofit corporations. IDRB financing lessens the cost of borrowing because the interest paid to the bond buyer is exempt from federal, state and local taxes.

Lansing Brownfield Reborn: The MEDC has offered assistance to redevelop a contaminated brownfield site in Lansing. The former Boys Training School site will be rebuilt into a development of "step-up" housing for Lansing families. The project received approval to capture up to \$1,890,237 in state and local taxes that will be used for a variety of infrastructure and site preparation activities. The property, located along East Saginaw Street, has been vacant for nearly 30 years. Burton-Katzman Development Company plans to invest more than \$26 million in the site to create a neighborhood of 180 new homes.

Book-Cadillac Renaissance: Governor Jennifer Granholm along with city of Detroit, Wayne County and Kimberly-Clark officials announced that Detroit's legendary Book-Cadillac, the city's premier hotel through much of the 20th Century, is poised to be redeveloped. The new Renaissance Book Cadillac Hotel (**pictured at right**) will be an upscale brand of Marriott International featuring 483 guest rooms, 76 high-end apartments and a 186-car parking garage. The MEDC played a key role in the redevelopment package by offering a brownfield Single Business Tax credit.



**Governor
Jennifer M.
Granholm**



High-Tech Career Fair Success: Nearly 300 prospective employees met with representatives from more than 30 companies at the July 17 High-Tech Career Fair, which was targeted to help keep former Pfizer employees at work and at home in Michigan. The MEDC sponsored the event in partnership with MichBio's Bioconnections Program and Southwest Michigan First at the Kalamazoo Radisson. The career fair brought researchers, scientists and information technology professionals being displaced by Pfizer's acquisition of Pharmacia face to face with Michigan employers needing to fill various high-tech positions.

Boosting Michigan's Tourism Industry

Best Beaches: Travel Michigan, which is housed in the MEDC, announced the state recently received accolades for a treasure many of us have known about all along. In America's Best Beaches, an annual ranking of the nation's best shorelines found three of the top four in Michigan. Oval Beach in Saugatuck, Pictured Rocks National Lakeshore in Munising and Pere Marquette Park in Muskegon were named top beaches in the "Lake" category. Water and sand quality as well as beautiful sunsets helped catapult Michigan to the top 10.



Pictured Rocks (Munising)



Oval Beach (Saugatuck)

Facilitating Labor Relations

Governor's Blue Ribbon Panel Gathers Written Comment to Evaluate the Community and Health Impact of the On-Going Northern Michigan Hospital Labor Dispute: Governor Jennifer M. Granholm's Blue Ribbon Panel received hundreds of written comments through the Aug. 1 deadline on the impact the on-going labor dispute at Northern Michigan Hospital may be having on the delivery of health care in the Petoskey community and region. The Blue Ribbon Panel has held two community forums, which were attended by more than 500 residents, hospital administrators and staff, labor organization representatives, business professionals, and public officials. Gov. Granholm directed the Blue Ribbon Panel to use all of the comments, both written and verbal, as the basis for report to her office. The Blue Ribbon Panel is made up of individuals with a wealth of public service, labor mediation and health care experience: C. Patrick Babcock, past Director of the Michigan Departments of Social Services, Mental Health and Labor; Barry C. Brown, a professional arbitrator with significant experience in the health care field; and Dr. Gloria R. Smith, a registered nurse, a former Dean of Nursing at Wayne State University and past director of the Michigan Department of Public Health.

Ensuring Quality Health Care for Citizens

CIS Presents \$50,000 in Nursing Scholarships to 10 Colleges & Universities: CIS is presenting \$50,000 to 10 Michigan colleges and universities in the latest round of scholarships for students in the registered nurse program. Each university and college is receiving a \$5,000 nursing scholarship grant as part of a program initiated in 2000 by CIS to address a national shortage in the nursing profession. The Michigan Board of Nursing, a CIS board of health professionals and public members, proposed a scholarship fund after it determined a need for nursing professionals based on state and national health data. The colleges and universities receiving the grants and the scholarship recipients are: Northern Michigan University, Bay de Noc Community College, Glen Oaks Community College, Andrews University, Ferris State University, Alpena Community College, Kirtland Community College, Davenport University, Lansing Community College, University of Michigan.

OFIS Grants Order of Rehabilitation for The Wellness Plan: Office of Financial and Insurance Services (OFIS) Commissioner Linda A. Watters announced that the Ingham County Circuit Court approved an Order for Rehabilitation of The Wellness Plan effective July 1. The Wellness Plan is one of Michigan's largest Medicaid HMOs - with over 107,000 Medicaid members. The Rehabilitation process allows OFIS to make arrangements to preserve The Wellness Plan's provider network, minimize disruption of services to its members, and to restore the financial solvency of The Wellness Plan. The Commissioner, as court ordered rehabilitator in charge of The Wellness Plan, will oversee the payment to providers for health care services on a going forward basis. Pre-rehabilitation claims will be considered after a complete financial review has been conducted. Medicaid beneficiaries who are currently enrolled in The Wellness Plan can be assured their health care services will not be interrupted due to this rehabilitation order. The Department of Community Health continues to work closely with The Wellness Plan to ensure that timely provider claim payments continue and that Medicaid beneficiaries receive quality health care services.

Protecting Worker Safety

Johnson Technology, Inc. Receives State's Highest Safety and Health Award: Johnson Technology, Inc.'s Latimer Plant has become only the eighth facility in the state to receive the prestigious Michigan Voluntary Protection Programs (MVPP) Star Award for workplace safety and health excellence. The Johnson Technology Latimer Plant's Incidence Rates and Lost Work Day Rates are well below the Michigan average for the aircraft engines and engine parts industry. To ensure safety accountability, safety has been made a line function, and safety performance receives the same percentage (20 percent) as productivity in the employee appraisal process. The Latimer Plant produces turbine nozzle segments and shrouds for aircraft and land-based systems. Their 477 associates annually manufacture close to 100,000 jet engine parts that are assembled into several different types of aircraft.

Matching Employers & Workers via the Internet

More Than 30,000 Resumes Added to Talent Bank: The Michigan Talent Bank posted 30,936 new resumes bringing the total searchable resumes to 608,405. There was a 5.3 percent increase in total resume searches and 901 new business registrations. More than 6,000 job orders were posted bringing the total job orders posted to 28,179 (a 41 percent increase over May).

Michigan Career Portal Draws Nearly 50,000 Visitors: 48,733 unique visitors came to Michigan's new online Career Portal (<http://www.michigan.gov/careers>) during the month of June. The Job Seekers page was visited most frequently with 12,654 unique visitors. Online Resources and Education & Training pages also experienced high traffic volumes.

Assisting Jobless Workers

BW&UC encourages jobless to file unemployment claims via the Internet: Michigan's unemployment insurance program has upgraded its system for taking unemployment claims via the Internet (<http://www.michigan.gov/bwuc>). The Internet process has had some of the earlier limitations removed, giving more of the state's jobless the ability to file their unemployment claims online. In addition, it has added some new security features to the Internet process. The most significant upgrade allows workers to file online, even if they have had more than one employer over the previous 18 months. The system now also accepts additional unemployment claims, which jobless workers file to re-establish eligibility for benefits after a return to work during their benefit year. The online process is fast, easy and a tremendous convenience for the unemployed as it takes between 30 and 45 minutes to complete and can be done from the comfort of one's home or from any computer with Internet access. The Bureau of Workers' & Unemployment Compensation's (BW&UC) website accepts online claims applications Monday through Friday, from 7:00 a.m. to 7:00 p.m., including holidays that fall on weekdays. To file a new claim online, the key requirements for unemployed workers are that they:

- Live in and have worked only in Michigan during the past 18 months;
- Have filed an unemployment claim within the past 10 years; and
- Have no wages from the federal government.

The website uses an interactive application for unemployment benefits. Those applying for unemployment benefits online are still required to register for employment at their local Michigan Works! service center, if they are not returning to work within 120 days.

Remaining U.P. Unemployment Claims Offices Close on July 25; Problem Resolution Office to Open in Marquette: The Bureau of Workers' & Unemployment Compensation (BW&UC) closed its remaining three Upper Peninsula unemployment claims offices in Escanaba, Marquette and Sault Ste. Marie on July 25. There are other options for unemployed U.P. workers to use for filing their unemployment benefit claims:

- Internet - BW&UC's website at <http://www.michigan.gov/bwuc> allows jobless workers to apply for benefits online between 7:00 a.m. and 7:00 p.m., Monday through Friday.
- Telephone - Jobless workers can call the BW&UC toll-free telephone-filed claims line at 1-866-500-0017 from 8:00 a.m. to 4:30 p.m., Monday through Friday. Workers call in according to a schedule based on the last two digits of their Social Security number.
- Mail - The bureau is accepting unemployment claims by mail. Applications are available at the bureau's website (<http://www.michigan.gov/bwuc>) or at many Michigan Works! service centers.

To help those who may have problems with their unemployment claims, the bureau will be establishing four permanent problem-resolution offices in the state, including one in Marquette. The Marquette office will have a two-person staff and will work on public outreach and resolving problems individuals may be having with their unemployment claims. The office will not take in claims for unemployment benefits. The Marquette office will temporarily occupy the bureau's existing space at 2833 U.S. 41 West. Staff will work with those who visit the office but will not handle phone inquiries. The bureau is encouraging those with general inquiries to call its Customer Service toll-free hotline at 1-800-638-3995. Staff answer calls from 7:00 a.m. to 7:00 p.m., Monday through Friday.

The closing of Michigan's U.P. unemployment offices is the first step in the eventual closing of all local unemployment offices in the state. Remaining offices will close after BW&UC's telephone system for accepting unemployment claims becomes available in their areas. The system is expected to be statewide by the end of this year.

Time Lag for Getting First Payments to Injured Workers Improves 5 Percent in 2002: Under Michigan law, workers injured on the job are to receive their first workers' compensation benefits within 14 days of being determined eligible. Every year, the Bureau of Workers' & Unemployment Compensation publishes a paylag report, which shows the average number of days it takes for an injured worker to begin receiving benefits. The just released 2002 report revealed improvement as the overall average number of days from the injury's effective date to the first payment dropped to 18 days from 19 in 2001. While the overall average is still above the statute requirement, it has been dropping steadily since the workers' compensation program's first paylag report in 1994. Among employers in the same industries who have grouped together to pay their workers comp costs, the average dropped to 18 days in 2002; for large self-insured employers the average fell to 15 days; and for insurance companies the average remained unchanged at 20 days.

New Computer System to Uncover Those Working and Drawing Unemployment Insurance: The Bureau of Workers' & Unemployment Compensation (BW&UC) has received a \$121,000 grant from the U.S. Department of Labor to develop and implement a computer system that will cross match records of those claiming unemployment benefits with those in the State Directory of New Hires (SDNH). The aim is to detect jobless benefit overpayments to claimants who have worked while collecting unemployment insurance. Under federal law, employers in the state are required to report to the Michigan Department of Treasury all newly hired, rehired or returning to work employees. While the directory's primary purpose is to enforce child support, the Family Independence Agency has granted the bureau access to the data. The directory information will enhance our detection efforts by enabling the bureau to identify potential overpayments sooner and to improve the recovery of overpayments.

Staff in BW&UC Office of Investigations & Compliance Undergo Cross Training: Cross training has begun for staff in the Bureau of Workers' & Unemployment Compensation (BW&UC) Office of Investigations & Compliance. The office, which was formed last year, combined unemployment insurance fraud and wage and hour investigators. Over the coming year, investigators from both programs will be cross-trained to work in enforcing the following five state laws:

- **Michigan Employment Security Act** - provides unemployment insurance benefits to eligible jobless workers and a system for taxing Michigan employers;
- **Act 90 Youth Employment Standards Act** - covers all Michigan employers and sets work permit requirements for minors, regulates their hours of employment, sets their meal/rest periods and bans their employment in hazardous jobs;
- **Act 154 Michigan Minimum Wage and Overtime Law** - covers employers who employ two or more youth 16-years-old and older and provides for a \$5.15 per hour minimum pay rate and for overtime pay of one and a half times the regular pay rate;
- **Act 166 Michigan Prevailing Wage Act** - covers construction workers employed on state-financed or sponsored construction projects;
- **Act 390 Payment of Wage and Fringe Benefits Act** - covers most Michigan employers and among other things regulates the payment of hourly wages, salaries and commissions and the payment of certain fringe benefits; provides for the regular payment of wages; and prohibits unauthorized pay deductions.

Protecting Consumers

Registration Launched for Do Not Call List: Michigan residents began signing up for the national Do Not Call list in July that will reduce the number of telemarketing calls people get at home. Signing up for the list is free on the Federal Trade Commission's Web site: <http://www.ftc.gov/donotcall> or calling at 1-888-382-1222. Telemarketers will have access to the national registry beginning in September. The Michigan Public Service Commission designated the national Do Not Call list as Michigan's list in April to protect consumers against both intrastate and interstate telephone solicitations with just one convenient registration. In addition, by establishing the federal list as the Michigan list, the Public Service Commission is promoting government efficiency by avoiding unnecessary duplication of resources. To keep Michigan residents informed about the national Do Not Call list, the State of Michigan created a Web site: <http://www.michigan.gov/donotcall>.

Reported Amusement Accidents on Decline in Michigan Since 1998: CIS Bureau of Commercial Services and its Michigan Carnival-Amusement Safety Board has seen a decline in recent years in the number of carnival amusement accidents, which include mechanical failures and personal accidents. This year through June 30th, Michigan has had eight accidents reported and the goal is to keep that figure as low as possible to protect the safety of Michigan families. There were 82 accidents reported in 1998; 57 in 1999; 44 in 2000; 45 in 2001; 45 in 2002. Most accidents are the result of rider error rather than mechanical failure so it's important for people to follow the simple common sense ride safety requirements to protect themselves and the safety of those around them. Parents should take an active role in choosing rides that are appropriate for their child, especially if he or she is young. Parents should watch a ride in operation and observe the ride operator before deciding if their children should go on. Safety experts advise that one adult chaperone accompanies every two children so he or she can closely supervise activities. It is also important to stop going on rides before getting tired. The state law requires consumers to promptly report any injuries before leaving the premises. Consumers should notify the ride owner or operator; the amusement park or sponsoring organization; and the CIS Carnival-Amusement Safety Board at (517) 241-9202.

OFIS Posts 2002 Insurance Complaint Ratios: The Michigan Office of Financial and Insurance Services (OFIS) released complaint ratios for insurance companies in Michigan at <http://www.michigan.gov/ofis>. Individual company information is also available by calling OFIS toll free at (877) 999-6442. "The increase in the reported statistics can be attributed to two factors - market conditions and OFIS outreach," said OFIS Commissioner Linda A. Watters. "A notable change in one's insurance rates prompts plenty of complaints and the information push OFIS has used to educate consumers on insurance coverage has made us the recognized source for information and assistance." In 2001, the OFIS consumer assistance help line received 174,276 calls for assistance or file a complaint in regards to insurance, securities, mortgage lenders or banks and credit unions matters. In 2002, the calls jumped to 190,970.

Telecommunications Service Quality Rules Take Effect on Aug. 1: The Michigan Public Service Commission (MPSC) announced rules governing the quality of telecommunication services in Michigan took effect on Aug. 1. The rules codify protections for Michigan telephone customers and put in place specific remedies for service quality issues. The telecommunications service rules address a broad range of issues, including repair and installation; emergency repairs; engineering standards; customer billing; and billing accuracy. Highlights of the rules include requiring facilities-based telecommunications providers to:

- ♦ Investigate and respond fully and promptly within 10 business days after receiving an oral or written complaint;
- ♦ Maintain service so that the average monthly rate of all customer trouble reports does not exceed four per 100 access lines;
- ♦ Clear all non-emergency out-of-service trouble within a monthly average of 36 hours after being reported to or found by the provider;
- ♦ Arrange to clear trouble that does not involve an emergency or out-of-service condition within a monthly average of 36 hours after being reported to or found by the provider;
- ♦ Install service for a residential or small business customer or applicant within a monthly average of five business days of the installation request, or a monthly average of 10 business days after a customer is released for a migration.

Holocaust Claims Names Released So Families Can File Claims for Benefits: The Office of Financial and Insurance Services (OFIS) Commissioner Linda A. Watters announced that German insurance companies have made public the names of 363,232 victims of the Holocaust who were covered by life insurance policies but whose records were previously sealed. The publication of names was required under the terms of an agreement entitled "Remembrance, Responsibility, and the Future" signed in October by the International Commission on Holocaust Era Insurance Claims. The new names are available on the ICHEAC web site at <http://www.icheac.org> and relatives have until September 30, 2003 to file claims with the ICHEAC on covered policies. European insurers that sold coverage as World War II approached - and routinely refused to pay claims after the war citing the lack of proof of policy, possession of death certificate, and payment to other parties - have fought the publication of policyholders' names.

Governor Granholm Names J. Peter Lark Chair of the Michigan Public Service Commission: Governor Jennifer Granholm announced the appointment of J. Peter Lark as chair of the Michigan Public Service Commission effective August 4, which is subject to confirmation by the Senate. Lark, of Okemos, most recently served as an assistant attorney general in charge of the Special Litigation Division of the Michigan Attorney General's Office where he has served since 1979. Before joining the Attorney General's Office, he served as assistant prosecuting attorney for Wayne County. Lark received his law degree from the Western New England College School of Law and holds a bachelor's of science degree from Boston College. The Michigan Public Service Commission regulates investor-owned natural gas, electric and telecommunications utilities, rural electrical cooperatives, and interstate motor carriers. The Commission also establishes safety standards and sets specific rates for services provided by the state's utilities and ensures dependable quality at reasonable rates that meets the public's needs and maintains a healthy economy for Michigan consumers.

Providing More Efficient Services to Keep Business Costs Down

OFIS Revises Bank Supervisory Fee Schedule: The Office of Financial and Insurance Services (OFIS) announced that the schedule of fees charged to state-chartered banks for 2003 has been revised to better match revenue sources to cost centers, and to build more equity into the fee structure. The new fee schedule will result in fees that, for most bankers, will be less than the previous fee schedule. In all cases, the schedule of fees has been adjusted to more fairly represent the cost of OFIS supervision and examination. The schedule increased the minimum fee from \$1,000 to \$3,000, to cover the real costs of regulating the smallest and new commercial and savings banks. The schedule also expands the asset size range to which the minimum applies. In another change, trust fees were changed from an exam-based hourly rate, to a fee-based on assets under management.

OFIS Launches New Consolidated Licensing Web Site: The Office of Financial and Insurance Services (OFIS) launched a consolidated 'Licensing' section on its web site for its insurance, securities and consumer finance licensing functions at <http://www.michigan.gov/ofis>. The consolidated section offers easy to read information in a central depository format for common license-related issues. The new format facilitates the acts of gathering information, becoming licensed or registered with OFIS and maintaining those licenses or registrations. One of the most user-friendly features is the extensive use of links, which are provided to applicable laws, forms, and e-mail to contact OFIS staff directly with questions or concerns. Insurance licensees in particular will be pleased that the new site offers enhanced functionality to review the information formerly contained in the Insurance Licensing Examination Candidate Handbook, allowing candidates to find their specific licensing information on the web site much easier.

State of Michigan Website Makes It Easier for Counties to Report and Access Public Land Records in Office of Land Survey & Remonumentation Program: An enhancement to the Bureau of Construction Codes & Fire Safety website will make it easier for Michigan county officials to report public land records to the state's Survey & Remonumentation Program and for consumers to access this information. The new web-based Corner Index System will be used to report information on corners completed by counties for the Office of Land Survey and Remonumentation as they are restored. The Statewide Search for Remonumentation Data and County Remonumentation Data Entry is at <http://www.michigan.gov/cis> and clicking on the "Bureau of Construction Codes & Fire Safety" icon. The Survey and Remonumentation program preserves, maintains, and re-establishes the original 300,000 property corners, which identified and enabled land to be sold in Michigan since it was a territory in the 1800s. Cement and steel marker monuments are generally set in half-mile intervals across the state in east-to-west and north-to-south directions. However, in many cases, the original wooden stake corner markers have been obliterated and replaced with pipes, rods, stones, plowshares and even gun barrels now dating more than 100 years old. The Survey and Remonumentation program allows counties to restore the corners that are reference points for surveyors, developers and the maintenance of roads and utilities, as well as the exchange and use of public and private properties.

Promoting Energy Efficiency & Protecting Environment

MPSC Holds Hearing on Natural Gas Prices: The Michigan Public Service Commission (MPSC) held a public hearing July 22 on natural gas prices. The hearing was held to increase public awareness of significant natural gas price increases that are expected next winter, to solicit comments and to discuss potential solutions. To help natural gas customers keep informed on natural gas prices and ways to reduce their bills, the MPSC encourages people to visit its Web site: <http://www.michigan.gov/mpsc>. Contributing to higher natural gas prices in the United States and globally are low storage levels, rapid depletion of low cost supplies and increasing demand - particularly for electricity generation. A recent MPSC report indicates that wholesale prices for natural gas, the average prices paid by the utility to purchase gas, are likely to remain in the range of \$5 to \$6 per thousand cubic feet (Mcf) for the remainder of the year. This is more than 30 percent higher than the average price of \$3.87 per Mcf that prevailed in 2000 and 2001. Those higher wholesale prices faced by Michigan's utilities are beginning to make their way to residential customers. A comparison of the prices charged by Michigan's four largest natural gas utilities shows that price increases from July 2002 to July 2003 have ranged from 13.5 percent to 57.4 percent. When other charges are factored in - such as distribution and customer charges - estimates indicate that residential customers of these four utilities could pay a total of \$53 to \$172 more to heat their homes during the upcoming winter months than they did last winter. Michigan is the sixth largest natural gas consuming state, accounting for 4.3 percent of U.S. consumption. Over 78 percent of homes in Michigan are heated with natural gas.

CIS Energy Office Awards \$20,000 Grant to Encourage Purchase of Alternative Fuel Vehicles by Detroit Area Local Fleets: The CIS Energy Office has awarded a \$20,000 U.S. Department of Energy Clean Cities grant to Downriver Community Conference to encourage alternative fuel vehicle (AFV) purchases by local fleets. The grant will allow Downriver Community Conference (DCC) to offer incentives to public and private fleet owners in the greater Detroit area to offset some of the incremental cost difference between new light-duty AFVs and comparable gasoline vehicles. The project will help DCC launch an educational and training campaign for fleet drivers and local citizens about the use of alternative fuel vehicles and their environmental benefits. This grant will encourage local fleet owners to purchase 10-20 new alternative fuel vehicles which they may not have considered without incentives. Not only will this project create an estimated \$200,000 - \$400,000 in public/private investment in AFVs, but it will also benefit the greater Detroit area by helping to reduce air pollutants and our dependence on foreign oil. AFVs are modified to operate on natural gas, propane, ethanol (up to 85% blends), or electricity and are available from all major U.S. car manufacturers. Biodiesel, another alternative fuel, can be used in diesel engines without modification. The grant is funded by a federal program and supports the Detroit area's participation in the program. For more information, visit: <http://www.michigan.gov/energyoffice>.

Providing Career Development Resources

Department of Career Development Receives "Excellent" Rating from U.S. Department of Education: The Office of Postsecondary Services reported the Michigan Department of Career Development received an "excellent" rating from the U.S. Department of Education for its annual performance report for GEAR UP Michigan! program year 2002-2003. In the second year of GEAR UP Michigan! 4,160 students in the designated schools districts of Flint Community Schools, Muskegon Public Schools and Detroit Public Schools, received services including academic counseling, educational development planning, after-school tutoring, career and college preparation assistance, mentoring and financial aid workshops.

Grants to Help Target Workers Likely to Experience Extended Unemployment: Michigan Works! agencies began receiving nearly \$1.3 million in Reemployment Services Initiative grants, targeting those workers who are likely to experience extended periods of unemployment or those in targeted industries and occupations. Staff provide intensive job search assistance and job search workshops at local Michigan Works! Service Centers to reduce the duration of unemployment.

Workforce Transition Section (WTS) Assists Employers and Displaced Workers: The Workforce Transition Section (WTS) responded to 26 notices of planned plant closures or mass layoffs during this period. Contact was made with employers and union representatives in response to receipt of a Worker Adjustment and Retraining Notification (WARN) notice, letter, phone call, newspaper article, or other means of notification. A brief overview of available dislocated worker services was given, and depending on the number of jobs impacted, a formal on-site Rapid Response Team Meeting was scheduled or arrangements were made for the local Michigan Works! Agency to meet with the affected employees to provide information on available services.

Other services provided:

- Conducted six Rapid Response Team Meetings with employers (and union representatives, where employees are represented by a collective bargaining agreement) to provide detailed information on dislocated worker services and gather information on the closing/layoff that will enable Michigan Works! service providers to assist the affected workers with the transition to new employment.
- Reviewed eight new Trade petitions filed with the WTS. Petitions were checked for completeness/accuracy, logged in for internal tracking purposes, and forwarded to the U.S. Department of Labor for investigation and determination.
- Conducted three information meetings in various areas of the state for workers certified under the Trade Act. There were two new Trade certifications this period.
- Attended 15 worker orientation sessions, seven Joint Adjustment Committee meetings, responded to 133 phone calls and 82 e-mails from individuals, company/union representatives, and service providers who requested information or clarification of issues related to the WARN Act, dislocated worker services, and the Trade Act.

Michigan Rehabilitation Services (MRS) Assists Michiganians with Disabilities: MRS, with 36 field offices across the state, assisted 1,059 Michiganians with disabilities into employment in June 2003. During the same period, MRS provided job-related services, such as vocational counseling and job training opportunities, to 1,054 individuals. MRS staff also provided disability-related services to Michigan businesses. During June 2003, 189 Michigan employers were assisted with such issues as retaining at-risk workers, obtaining disability-related tax credits and deductions, and installing accommodations for their workers with disabilities.

Adult Education Program Year Ended June 30th: In recent months, the Adult Education office handled several hundred phone calls for Michigan Adult Education Reporting System (MAERS) technical support regarding questions about recording student statuses, goal achievements, and exiting students from the system. Final reports have not been completed, but initial enrollment data show that enrollments of people of Asian descent increased 144 percent from last year. Enrollment in the Adult Basic Education program has increased 9.7 percent from last year, and services to dislocated workers have increased 20 percent. These are initial figures and more complete data will be available when program data are completed and closed out in the fall. The office has been working on the ability to cross reference the MAERS database with the office's GED database. An initial test was done and several records were matched. If successful data matching can be accomplished, students would not have to be contacted directly in regard to a U.S. Department of Education follow up requirement. This process will be more efficient and less costly than conducting a telephone survey which will be a cost savings to the state and Michigan taxpayers.